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Houston District Office

Quarterly Newsletter

Small Business Administration • 8701 S. Gessner, Ste 1200 • Houston, Texas 77074 • (713) 773-6500

Editor: [Donna B. Hayes](#)

Upcoming Event →→ CHICK HERE

Internal Revenue Service IRS.gov

DEPARTMENT OF TREASURY

Employment Taxes for Small Businesses

[What Are Employment Taxes?](#)

If you have employees, you are responsible for Federal Income Tax Withholding, Social Security and Medicare taxes and Federal Unemployment Tax Act (FUTA).

[Independent Contractors vs. Employees](#)

Are you or your help independent consultants or employees? Before you can know how to treat payments you make for services, you must first know the business relationship that exists between you and the person performing the services.

[Businesses with Employees](#)

If you plan to start a business with employees or currently operating a business with employees you need to know your tax responsibilities as an employer. This section briefly discusses a variety of topics that businesses who have employees and/or employers should know.

[Self-Employment Tax](#)

The Self-Employment Tax is a social security and Medicare tax for individuals who work for themselves.

[What are FTDs and why are they important?](#)

What are FTDs and why they are important?

[e-file for Business and Self-Employed Taxpayers](#)

IRS e-file and electronic payment options for employment taxes, information returns, partnerships, corporations, estates & trusts and returns for charities and nonprofit organizations.

[Employment Tax Forms](#)

This page provides a listing of the common employment tax forms that a small business or self-employed person would need.

[Employment Tax Notices](#)

This page provides a listing of IRS notices that would be interest to a small business owner or a self-employed person.

[Employment Tax Publications](#)

This page provides a listing of the common employment tax publications that a small business or self-employed person would need

[How To Use the Income Tax Withholding and Advance Earned Income Credit \(EIC\) Payment Tables](#)

There are several ways to figure income tax withholding. This explains methods of withholding based on information you get from your employees on Form W-4.



SBA's Small Business Loan Programs Receive Significant Boost

President George W. Bush signed legislation making more than \$21 billion available to small businesses through the SBA's two main loan programs.

The SBA's 7(a) loan guarantee program was boosted to a \$16 billion level, \$3.5 billion above what the program provided last fiscal year, when a record \$12.55 billion in financing was made to small business. Additionally, the government loan guarantee increased from \$1 million to \$1.5 million and the program will now operate without a congressional appropriation or at zero subsidies, meaning that the program will be self-supported through modest fees paid by lenders and borrowers.

An additional enhancement to the 7(a) program was Congress' action to make the popular SBAExpress program permanent, raising the maximum loan size to \$350,000 with a 50 percent government guarantee.

Congressional action included expanding the agency's 504 loan program up to the \$5 billion level, and raising the maximum loan size for manufacturers to \$4 million. The 504 loans may be used for the purchase of real estate, buildings and machinery.

Other highlights in the bill include \$3.250 billion for SBIC debenture financing and funding for the Microloan and HUBZone programs. The SBA's disaster program, instrumental in the assistance provided after the rash of hurricanes this past summer, previously received supplemental funding.

In the area of entrepreneurial development, the Small Business Development, SCORE and Women's Business Centers were reauthorized and funded at the same levels as last year. The bill also provides funding for the veterans and Native Americans programs.

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It's Tax Season - What You Don't Know Could Hurt You

[2003 & 2004 Tax Changes for Businesses](#)

At tax time, many business owners want to make sure they are aware of the latest changes that could affect their taxes. If you are one of these owners, here are some tax changes that may affect you.

[Filing Late and/or Paying Late: Information You Should Know](#)

Before you decide not to file your tax return on time or not pay all of your taxes when they are due, consider this.

[2005 Standard Mileage Rates Set](#)

IR-2004-139—The Standard Mileage Rate has been increased by 3 cents.

[Small Business Resources](#)

This section offers links to a broad range of resources across federal and state agencies.

[SSA/IRS Reporter](#)

The SSA/IRS Reporter is a quarterly newsletter sent to over 7.8 million employers and 125,000 tax professionals. It was created by joint interagency agreement between SSA and IRS, and features articles of interest to employers.



Contract Surety Bonds

Contract surety bonds may be able to get you jobs that you might not otherwise have an opportunity to receive. The links below will provide information on: SBA Surety Bond resources, National Association of Surety Bond Producers, and the America Association of Insurance.

[SBA Surety Bond Resources](#)

Link to the SBA's Office of Surety Bonds and related programs.

[National Association of Surety Bond Producers](#)

An organization of some 600 independent insurance agencies and brokerage firms that specialize in providing surety bonding and insurance programs to construction contractors.

[The Surety Association of America](#)

A voluntary nonprofit association of 650 companies which collectively underwrite the overwhelming majority of surety and fidelity bonds in the United States.

[American Association of Insurance](#)

AIA is the leading property and casualty insurance trade organization, representing over 375 companies that write more than \$60 billion in premiums annually.

Making Health Care More Affordable for Small Businesses

Health care costs are on the rise, and too many small business owners and employees cannot afford coverage. A recent poll by the National Federation of Independent Business revealed that most small business owners want to provide health care for themselves and their employees, but they cannot afford it. Fortunately, two new health care tools can help small businesses lower their health care costs dramatically: **Association Health Plans and Health Savings Accounts**. For more information click the support AHP link below.



[Related Links](#)

- [U.S. Department of Health and Human Services](#)
- [Office of Personnel Management](#)
- [Information Resources](#)

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Hiring Procedures

It is essential that small businesses know the rules and regulations on hiring employees. Below is information to assist in making decisions.

[Union Requirements](#)

Right to Work States secure the right of employees to decide for themselves whether or not to join or financially support a union, and makes it illegal for unions to require membership as a condition of employment. In non-Right to Work states, employees may be required to join unions in order to retain employment at some companies regardless of opposing political views or religious beliefs. If unions have or are forming in your business, find out what the law is in your state.

[Reference Checks](#)

When called for reference checks, employers are generally expected to reveal only the employees' date of hire, date of termination, and job title; they are prohibited from giving confidential information. If the applicant signs a waiver and hold harmless agreement as a condition for applying for employment, the employer may feel more comfortable specifying additional information specified by the agreement.

[Credit Checks](#)

To obtain a credit report on an employee or prospective employee, the employer must provide clear and conspicuous written notice that a credit report may be requested and obtain written consent from the applicant or employee.

[Background Checks](#)

Employers generally have the right to access arrest and conviction records that are public information, but whether employers can use such information for hiring decisions varies from state to state. Some states allow employers to discriminate based on criminal convictions, but not arrests. Other states apply varying rules depending on the position or industry being applied for.



[People with Disabilities](#)

Visit the Social Security Administration's Employers' webpage for information on hiring people with disabilities, including tax incentives, referral services, FAQs, and helpful links to the Department of Labor's Office of Disability Employment Policy.

[Interviewing Guidelines](#)

When interviewing job candidates, it's important to focus exclusively on the skill and experience needed for the position. Visit [Lawyers.com](#) for an in-depth analysis of interview dos and don'ts.

[Verify Employees' Social Security Number](#)

Verify employees Social Security Numbers for accurate W-2 wage reports

[Affirmative Action](#)

Link to the Department of Labor's Affirmative Action webpage; specifically relates to contract compliance for companies doing business with the government.

[Employment and Training Administration](#)

Link to the Department of Labor's Affirmative Action webpage; specifically relates to contract compliance for companies doing business with the government.

[Ticket to Hire](#)

Ticket to Hire works to meet your staffing needs by linking you to employment networks in your community that have motivated, qualified candidates with disabilities from the Ticket to Work Program.

[U.S. Equal Employment Opportunities Commission](#)

Link to the Equal Employment Opportunities Commission's homepage.

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Calendar of Events

For information on upcoming events or comments on the newsletter call 713-773-6500 ext. 306, email [HDO Quarterly Newsletter](#)

Click link below for more information.

- **National Small Business Week is April 25-29th.** Our Awards Luncheon is scheduled for Thursday, April 28th at noon at The Power Center, 12401 S. Post Oak Road in Houston. For information contact 713-773-6565.
- **University of Houston Small Business Development Center (SBDC) Loan Workshops** for information contact sbdctraining@uh.edu
- **SBA Monthly Procurement Breakfast,** January 18, February 15, March 15, 2005 for more information contact 713-752-8488 or email cleveland.baker@sba.gov
- **Houston District Office**  [Calendar of Events](#)
- **SCORE** schedule of upcoming events call 713-773-6565 or visit www.scorehouston.org

Locate Your Form



[By Form Number](#)

If you know the number of the form you are looking for: Example, SS-4 or CD-346



[By Agency](#)

If you know the agency that has the form you are looking for: Example, Department of Agriculture or Patent and Trademark Office



[All Forms \(A-Z\)](#)

If you know the name of the form you are looking for: Example, Export Information Services Order Form or Budget Information Form

Government Procurement Connections



March 28 - 30, 2005

George R. Brown
Convention Center
Houston Texas



For more information

Conéctate En Español

- ◆ [SBA](#)
- ◆ [Hispanic Business](#)
- ◆ [IRS](#)
- ◆ [Commerce Department](#)
- ◆ [Texas Online](#)
- ◆ [SCORE](#)

Government Procurement Connections (GPC), the premiere government contracting event of the year for small, minority, women-owned and disadvantaged businesses. This conference provides a great forum for government agencies, Corporations and small businesses to discuss potential business relationships.

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[Cool Links](#)

Headworks Inc received SBA guaranteed loans and counseling assistance.



CEO
Michele LaNoue.

Headworks Inc. is Houston-based (www.headworksusa.com) and the nation's leading supplier of municipal water and wastewater screening systems with installations in more than 20 countries. Dependable engineering, quality workmanship and superior technology represent a significant advance in screening technology worldwide. Continued quality customer service and commitment to research and development guarantee that Headworks remains at the forefront of excellence.

"Forum on Financial Support for Small and Medium Size Businesses"

Wednesday, January 19, 2005, from 4:00 to 6:00 PM
In the "Marbella Ballroom", 6632 Harrisburg, Houston, Texas 77011

FREE

Organized by:

U.S. Small Business Administration
UH Small Business Development Center
United Central Bank
Laredo National Bank
Southwest Bank of Texas
Houston Small Business Development Corp.
Houston Hispanic Chamber of Commerce
Cámara de Empresarios Latinos de Houston
Telemundo, y Univision (Radio y Television)

Purpose:

- Entrepreneurs with existing businesses will learn about present financing options available to consolidate and/or to expand their business using guaranteed loans by the U.S. Small Business Administration, through authorized members of the Financial System. Learn about SBA loan regulations and obtain information on other sources of financing.
- Learn how to grow your business with advanced training courses on how to design market strategies, increase sales, etc.
- Meet with representatives of technical and educational small and medium-sized business assistance organizations, bankers, and other financial agencies. Ask specific questions on financing and learn to evaluate the requirements for credit to support the development of your sales and strategies to penetrate foreign markets, etc., within the following programs:
 - ❖ SBA 7(a) and Community Express Loan Programs
 - ❖ SBA Export Working Capital Program (EWCP) and International Trade Program (IT)
 - ❖ SBA 504 Certified Development Corporations
 - ❖ UH Small Business Development Center Resources: (Business Library, Seminars, Free Consulting, Loan Packaging, effective Networking), etc.
 - ❖ Houston Small Business Development Corp. Revolving Loan Funds
 - ❖ Houston Hispanic Chamber of Commerce, programs and activities
 - ❖ Cámara de Empresarios Latinos de Houston, programs and activities
- Learn how to take advantage of these effective programs and organizations that assist entrepreneurs.
- Develop effective contacts and begin the 2005 year solidly.

To pre-register call the UH SBDC Training Department at (713) 752-8488

Bilingual assistance available.

For directions to Marbella Ballroom, call (713) 926-7265

"Forum on Financial Support for Small and Medium Size Businesses"

AGENDA **Wednesday, January 19, 2005**

- 3:00 – 4:15 P.M. Registration
- 3:00 – 6:00 P.M. Information and consulting tables open.
- 4:00 P.M. Welcome Remarks: Sr. Marcello Marini, Telemundo y Srita. Grace Olivares, Univisión
Words of Inauguration: Sr. Manuel González, Sub-Director and Interim Director, U.S.
SBA Houston Office.
- 4:15 – 5:00 PM
Repeat Session:
5:15 – 6:00 P.M. **PANEL ONE:**
SBA Community Express, Micro-loan Programs
Panel Moderator: Iris Correa, President Houston Hispanic Chamber of Commerce.
- SBA Representative
 - Accion Tejas Rep.
 - Houston SBDC Microloan – Loan Officer
 - Covenant, and others
- 4:15 – 5:00 PM
Repeat Session:
5:15 – 6:00 P.M. **PANEL TWO:**
SBA 7 (a) Small Business Loan Program
Panel Moderator: Orlando Saldaña,
Business Consultant, UH Small Business Development Center.
- SBA Representative
 - United Central Bank Officer
 - Laredo National Bank Officer
 - Southwest Bank Officer
 - MBDC loan packager
 - HSBDC Tandem Loans advisor

“Foro sobre Apoyo Financiero para Negocios Pequeños y Medianos”

Miércoles 19 de Enero de 2005, de 4:00 a 6:00 PM
En el “Marbella Ballroom”, 6632 Harrisburg, Houston, Texas 77011

GRATIS

Organizado por

U.S. Small Business Administration
UH Small Business Development Center
United Central Bank
Laredo National Bank
Southwest Bank of Texas
Houston Small Business Development Corp.
Houston Hispanic Chamber of Commerce
Cámara de Empresarios Latinos de Houston
Telemundo, y Univisión (Radio y Televisión)

PROPÓSITOS:

- ☐ Para que los empresarios con negocios existentes conozcan más sobre las opciones actuales de financiamiento para consolidar y/o expandir sus actividades usando préstamos garantizados por la U.S. Small Business Administration, a través del Sistema Financiero autorizado para ello. Allí se enterará de las regulaciones vigentes y las oportunidades existentes para los negocios en marcha, así como también podrá obtener información sobre otras fuentes de financiamiento para fines específicos como apoyo de capital de trabajo en base a la cantidad y calidad de las cuentas por cobrar, del tipo y nivel de sus exportaciones y otros.
- ☐ Para que conozca cómo ampliar sus oportunidades de crecimiento empresarial, incluyendo creación de empleos nuevos, cursos de capacitación, diseño de estrategias de mercados, desarrollo de pronósticos de ventas, etc.
- ☐ Para que pueda allí mismo entrevistarse con representantes de los organismos de asistencia técnica y educativa a la mediana y pequeña empresa, con banqueros, y otras agencias financieras. Esto le permitirá hacerles las preguntas específicas sobre financiamiento para su negocio que crea convenientes, y a la vez usted podrá conocer y evaluar los requisitos vigentes para solicitar créditos para apoyar el desarrollo de sus ventas, estrategias para penetrar mercados extranjeros, etc., dentro de los siguientes programas y con el apoyo de los organismos citados:
 - ❖ SBA 7(a) and Community Express Loan Programs
 - ❖ SBA Export Working Capital Program (EWCP) and International Trade Program (IT)
 - ❖ SBA 504 Certified Development Corporations
 - ❖ UH Small Business Development Center Resources: (Business Library, Seminars, Free Consulting, Loan Packaging, effective Networking), etc.
 - ❖ Houston Small Business Development Corp. Revolving Loan Funds
 - ❖ Houston Hispanic Chamber of Commerce, programs and activities
 - ❖ Cámara de Empresarios Latinos de Houston, programs and activities
- ☐ Para que conozcan cómo aprovechar eficientemente estos programas y organizaciones que fomentan el desarrollo empresarial.
- ☐ Para desarrollar contactos efectivos y empezar sólidamente el año 2005.

Para inscribirse anticipadamente y asegurarse el cupo llame al (713) 752-8488

UH SBDC Training Department. Habrá personal bilingüe a la disposición.

Para obtener indicaciones sobre cómo llegar al Marbella Ballroom, llame al (713) 926-7265

"Foro sobre Apoyo Financiero para Negocios Pequeños y Medianos"

AGENDA - Miércoles 19 de Enero de 2005

Marbella Ballroom, 6632 Harrisburg, Houston, TX 77011

- 3:00 – 4:15 P.M. Inscripción y Confirmación de Asistencia para los que se inscribieron vía telefónica.
- 3:00 – 6:00 P.M. Área de mesas informativas y para consultas, abiertas a los asistentes.
- 4:00 P.M. Palabras de Bienvenida: Sr. Marcello Marini, Telemundo y Srita. Grace Olivares, Univisión
Palabras de Inauguración: Sr. Manuel González, Sub-Director y Director Interino U.S.
SBA Houston Office.
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 - MBDC loan packager
 - HSBDC Tandem Loans advisor